



NEW MEXICO  
ENVIRONMENT DEPARTMENT



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April 30, 2015

William K. Honker  
Director, Water Quality Protection Division  
EPA, Region 6  
1445 Ross Avenue, Suite 1200, MS 6WQ  
Dallas, TX 75202-2733

Dear Mr. Honker:

This letter and attachments serve as the New Mexico Environment Department's (NMED's) initial application for Clean Water Act Section 319 funding in State Fiscal Years (FY) 2016 and 2017.

For your review, NMED is submitting the work plans for Ground & Surface Water Quality Bureaus, Forms 424/424a, and associated information in support of our application. This application is for \$2.1 million per year in Section 319 funds, a reduction in funding of \$200,000 per year compared with our requests for FY 2014 and FY 2015.

In developing our application, NMED has strived to comply with the *Nonpoint Source Program and Grants Guidelines for States and Territories (Guidelines)*, particularly the requirement that at least 50% of the funds be used for watershed projects. This distinction encourages prioritization of watershed implementation projects. A reduction in the anticipated indirect rate, and reductions in expenses such as travel and supplies, results in \$649,682 being available for watershed projects in FY 2016.

We have identified staff activities, totaling 2.23 FTE, eligible for watershed project funding. These activities are related to technical assistance to groups implementing watershed projects and monitoring to assess the effectiveness of watershed projects. These activities are consistent with Section VIII.B.iii of the *Guidelines*, and are included in Tasks 2.2 and 2.7 in the SWQB work plan. New Mexico's Watershed Protection staff, funded with Section 319 funds, have long provided valuable technical guidance to watershed groups and other parties undertaking watershed restoration projects. This contribution is viewed as both valuable and critical by these parties who often lack the necessary technical expertise and as a result our staff will continue to provide this support under this work plan. Likewise, NMED recognizes the importance of conducting appropriate pre and post restoration monitoring in order to determine the effectiveness of these efforts. NMED has developed a capable effectiveness monitoring program that has produced several WQ-10 and SP-12 success stories.

Despite these efforts, with this submission NMED is requesting a waiver of Section VIII.A of the *Guidelines*, which requires states to set aside at least 50% of Section 319 funds for watershed projects that implement WBPs. Watershed-based planning is a critical part of New Mexico's Nonpoint Source Management Program. Consistent with the Management Program, NMED is requesting to direct \$100,000 in Section 319 watershed project funds per year to new watershed-based planning projects in FY 2016 and 2017. Watershed-based planning projects are not eligible for the watershed project portion of Section 319 funds as described in the *Guidelines*. Without this waiver we will be unable to fund any new watershed planning projects during this award period. In addition, NMED is requesting \$84,955 in Section 319 watershed project funds in FY 2016, and \$114,540 in Section 319 watershed project funds in FY 2017, for administrative support of water quality improvement projects. These activities *do not* qualify for support with watershed project funds under Section VIII.B.iii of the *Guidelines*, but are critical for the successful completion of watershed projects. These administrative support activities are included in Task 2.1 in the SWQB work plan. Task 2.1 is also supported with nonpoint source program funds.

NMED believes that these circumstances justify a waiver from the requirements of the *Guidelines* that at least fifty percent of Section 319 funds awarded be directed towards watershed project implementation. NMED is committed to adhering to the *Guidelines* to the greatest extent possible, and expects to come fully into compliance with the *Guidelines* following a reasonable transition period.

If you have any questions, please feel free to call me at (505) 827-2793.

Sincerely,



Abe Franklin, Program Manager  
Watershed Protection Section  
Surface Water Quality Bureau

Cc: Sharon Daugherty, EPA (6WQ-AT), 319 Project Officer for New Mexico  
James Hogan, SWQB Bureau Chief  
Milee Griego-Rotunno, SWQB Finance Manager (Acting)  
Brian Schall, GWQB Pollution Prevention Section Program Manager (Acting)  
Catherine Monroe, GWQB Finance Manager

Enc: SWQB and GWQB work plans, 424/424a, detailed itemized budget, Indirect Cost Rate Agreement, key contacts form, and bundle package